Housing and Urban Development Corporation Ltd., (A Govt. of India Enterprise)
Core-7A, HUDCO Bhawan, India Habitat Centre Lodhi Road New Delhi -110 003
Tel.: 011 24648160 Fax: 011 24625308
Website.www.hudco.org, CIN: L74899DL1970GOI005276,
GST:07AAACH0632A1ZF

No. HUDCO/Bonds/2020-21 22nd May, 2020

Listing Operations BSE Limited, P J Towers, Dalal Street, Mumbai -400001	National Stock Exchange of India Ltd. Regd. Office: Exchange Plaza Bandra, Kurla Complex Bandra (E), Mumbai-400051

Sub: Compliance of Regulation 50(2) and 50(3) of Chapter V of SEBI Listing Regulations, 2015- regarding intimation to stock exchanges in respect of issue of Non-Convertible Debt Securities

Sir,

In compliance of Clause 50 (2) & (3) of Chapter V of SEBI Listing Regulations, 2015, we hereby wish to inform that the Committee of Board in its meeting proposed to be held on 29th May, 2020 proposes to approve issue/allotment of Unsecured, Redeemable, Non-Convertible, Non-Cumulative Taxable Bonds in the nature of debentures of face value of Rs.10,00,000 each (Series-D, 2020) aggregating upto Rs. 1,500 crore on private placement basis as per Term Sheet enclosed.

For **Housing & Urban Development Corporation Ltd.**

Authorised Signatory
Achal Gupta
Jt. GM (Finance)

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TERM SHEET-HUDCO TAXABLE BONDS SERIES-D 2020

DETAILS OF THE INSTRUMENT	
Issuer	Housing and Urban Development Corporation Limited (HUDCO)
Type of Instrument	Unsecured, Redeemable, Non-Convertible, Non-cumulative, Taxable Bonds in the nature of debentures.
Nature of Instrument	Unsecured
Seniority	Senior Debt
Mode of Issue	Private Placement through online bidding process on NSE EBP Platform
Eligible Investors	a. Indian Mutual Funds registered with SEBI; b. Public Financial Institutions as defined in section 2 (72) of the Companies Act, 2013; c. Scheduled Commercial Banks; d. State Industrial Development Corporations; e. Insurance Companies registered with the Insurance Regulatory and Development Authority; f. Provident Funds, Pension Funds, Gratuity Funds and Superannuation Funds authorized to invest in the issue; g. National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; h. Insurance Funds set up and managed by army, navy or air force of the Union of India; i. Companies and Bodies Corporate authorized to invest in bonds/debentures; j. Co-operative Banks and Regional Rural Banks authorized to invest in bonds/debentures; k. Societies authorized to invest in bonds/debentures; l. Trusts authorized to invest in bonds/debentures; m. Foreign Institutional Investors and sub-accounts registered with SEBI or Foreign Portfolio Investors (not being an individual or family offices and n. Statutory corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/debentures.
Non-Eligible class of investors	This issue is not being offered to the following categories of investors, any application from such investors will be deemed as invalid application and rejected: a) Venture Capital Funds; b) Foreign Venture Capital investors registered with SEBI; c) Non-resident investors being an individual including NRIs, QFIs (individual) and FPIs (individual or family offices); d) Multilateral and Bilateral Development Financial Institutions; e) Minors; f) Overseas Corporate Bodies,

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	g) Person ineligible to contract under applicable statutory/ regulatory requirements; h) Resident Individual Investors/ Hindu Undivided Families (through Karta); and i) Partnership firms.	
Listing	The bonds are Proposed to be listed on BSE **Listing:** The Issuer shall complete all the formalities and seek listing permission within 15 days from the Deemed Date of Allotment.	
Right to Re-issue	HUDCO reserves the right to re-purchase and re-issue the bonds as per the prevailing guidelines/ regulations and other applicable statutes.	
Rating	**India Ratings (Fitch Group)**	IND AAA' with Stable Outlook
	CARE Ratings	'CARE-AAA' (Stable)
	ICRA Ltd.	'[ICRA] AAA' (Stable)
Issue Size (Amount)	Rs. 250 Crore plus green shoe option to retain oversubscription	
Option to retain oversubscription (Amount)	Upto Rs.1250 crore (Total issue size being Rs. 1500 crore)	
Objects of Issue	The funds proposed to be raised through the Issue shall be utilized towards lending purposes, working capital requirements, augmenting the resource base of HUDCO and other operational requirements (including debt servicing, which includes servicing of both the principal amounts as well as interest payments of various debt facilities availed by the Company in the past and currently outstanding in its books of accounts, including loans and market borrowings).	
Details of utilization of the Proceeds	The funds proposed to be raised through the Issue shall be utilized towards lending purposes, working capital requirements, augmenting the resource base of our Company and other operational requirements (including debt servicing, which includes servicing of both the principal amounts as well as interest payments of various debt facilities availed by the Company in the past and currently outstanding in its books of accounts, including loans and market borrowings). Therefore, the management shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfillment of the Objects of the Issue.	
Form of Issuance	Demat only	
Trading Mode	Demat only	
Settlement Mode	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ RTGS/ Fund Transfer/ NECS/ NEFT or any other electronic mode offered by the Banks.	
Bond Series	HUDCO TAXABLE BONDS 2020 -Series D	

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Security Name	_____% P.A. HUDCO TAXABLE BONDS 2020 SERIES- D TENOR 10 YEARS RED 29 MAY 2030 DMT
Face Value	Rs. 10,00,000 per Bond
Premium/Discount on issue	Nil
Discount at which security is issued and the effective yield as a result of such discount	Nil
Premium / Discount on redemption	Nil
Issue Price	At par (Rs. 10,00,000 per Bond)
Redemption Amount	At par (Rs. 10,00,000 per Bond)
Minimum Application Size and in multiples of ___ Debt securities thereafter.	10 Bonds and in multiple of 1 Bonds thereafter
No. of Applicants	N.A*
Tenor	10 Years from Date of Allotment
Put/Call option date	NA
Put/Call option Price	NA
Put/Call notification Time	NA
Redemption/Maturity	May 29, 2030 (i.e. 10 Years from Date of Allotment)
Redemption Date**	May 29, 2030
Coupon Rate	__(*) % p.a. (shall be discovered through EBP mechanism of SE)
Coupon Type	Fixed
Step up /Step down coupon rate	N.A.
Coupon Payment frequency	Annually
Coupon Payment dates***	First Interest payment on May 29, 2021, after that annually on May 29th every year and Last interest payment on May 29, 2030 along with maturity proceeds.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	None
Default Interest rate (%)	2% p.a. over the coupon rate will be payable by the Company for the defaulting period in case of default in payment of interest/redemption amount.
Day count basis	Actual/Actual

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	Interest rate will be computed on a 365 days-a-year basis on the principal outstanding on the Debentures. Where the coupon/ interest period (start date to end date) includes February 29, coupon / interest rate will be computed on 366 days-a-year basis, on the principal outstanding on the Debentures.
Interest on application money	Interest at the respective coupon rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer's Bank Account upto one day prior to the Deemed Date of Allotment. Further, in case of delay in listing of the debt securities within prescribed time period from the Deemed Date of Allotment, the Company shall pay penal interest at the rate as mentioned in relevant regulations
Interest Payment	(i) The first Interest Payment Date shall be May 29, 2021 and the first interest will be payable from and including, the Deemed Date of Allotment (i.e. May 29, 2020) up to, but excluding the first Interest Payment Date (i.e. May 29, 2021) and after that annually on May 29th every year. (ii) The final Interest Payment Date shall be the respective Maturity Date (i.e. May 29, 2030) and the final interest will be payable from and including May 29, 2029 but excluding the relevant Maturity Date (May 29, 2030) and shall be paid on such Maturity Date May 29, 2030) along with the redemption proceeds.
Deemed date of allotment	May 29, 2020
Minimum subscription of debt security	As the current issue of Bonds is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Company shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.
Issue Time Table Issue opening date Issue closing date (Bidding on NSE EBP Platform) Pay - in - dates Deemed Date of Allotment	 May 27, 2020 May 27, 2020 On **T+2** day (i.e. May 29, 2020) where, T being the day of bidding / issue day May 29, 2020
Manner of bidding (Type of bid book)	Close bidding
Allotment/ Allocation Method	Uniform Yield
Settlement Mode for Subscription	Through NSE Clearing Ltd. as further set out under "Terms of the Offer' Section of the Private Placement Offer Letter. Successful bidders are required to do the funds pay-in from their same bank account which is updated by them in the NSE Bond - EBP Platform while placing the bids and into the relevant designated bank account. In case of mismatch in the bank account details between Bond - EBP Platform and the bank account from which payment is done by the successful bidder, the payment will be returned back. Payment should be made by the deadline specified by the NSE. Successful bidders should do the

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	funds pay-in to the bank accounts of the NSE Clearing Ltd., the details of which shall be available at NSE EBP Platform at the time of bidding, as further set out under "Terms of the Offer' Section of the Private Placement Offer Letter.
Record Date	15 (fifteen) calendar days prior to each coupon payment date/ Redemption Date. In case of Redemption of bonds/ NCD's, the trading in the bonds/NCD's shall remain suspended between the record date and the date of redemption. In the event the record date falls on a Saturday, Sunday or holiday of depositories, the immediately succeeding working day or a date notified by company to the stock exchange(s) shall be considered as the record date.
Working day(s) / Business Day(s) Convention	Working Day/Business day shall mean all days on which money market is functioning in Mumbai. However, for the purpose of credit of Demat A/c, working days on which NSDL/CDSL are open for business. Accordingly, although Banks are functional on 1st, 3rd and 5th Saturday of each month, the same shall not be considered as working days, as money market in Mumbai is non-functional on Saturdays.
Effect of Holiday	If any Coupon Payment Date falls on a day that is not a Working Day/ Business Day, the payment shall be made by the Issuer on the following Working Day/ Business Day in line with SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016. However, the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. Further, interest will not be paid for the extended period. If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the previous Working Day/ Business Day along with interest accrued on the Bonds until but excluding the date of such payment. **Further, in terms of SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016, in order to ensure uniformity for payment of interest/redemption with respect to debt securities, interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.** In the event the record date falls on a Saturday, Sunday or holiday of depositories, the immediately succeeding working day or a date notified by company to the stock exchange(s) shall be considered as the record date.
Depository	NSDL & CDSL
Security	Bonds are Unsecured
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: a) Copy of letter of acceptance dated 09.04.2019 issued by the Debenture Trustee regarding his appointment as Trustees to the Bondholders. b) Letter of consent from SBI CAP Trustee Company Limited for acting as Trustees for and on behalf of the Holder(s) of the Bonds. c) Copy of application made to the BSE for grant of in-principle approval for listing of bonds -application being made d) Letter from BSE conveying its in-principle approval for listing on bonds-

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	e) Letter from M/s. India Ratings and Research Private Limited (formerly Fitch Ratings India Private Ltd.), ICRA Limited and CARE Ratings Rating Agency for issue of Taxable bonds of HUDCO and the rating rationale pertaining thereto. f) Debenture Trusteeship Agreement; g) Tripartite Agreement between the Issuer, Registrar and NSDL for issue of bonds in dematerialized form. h) Tripartite Agreement between the Issuer, Registrar and CDSL for issue of bonds in dematerialized form. i) Operating guidelines for issuance of Securities on private placement basis issued by EBP providers (i.e. Stock exchanges(s)) and circular issued by NSSCL regarding timeliness for clearing and settlement on EBP. **The above-mentioned documents are available for inspection at our Corporate office.**
Conditions precedent to subscription of Bonds	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following: 1. Rating letter(s) from the aforesaid rating agency(ies) not being more than one month old from the issue opening date; 2. Letter from the Trustees conveying their consent to act as Trustees for the Bondholder(s); 3. Application to BS for seeking its in-principle approval for listing of Bonds.
Conditions subsequent to subscription of Bonds	The Issuer shall ensure that the following documents are executed/ activities are completed as per time f0rame mentioned elsewhere in this Private Placement Offer Letter: **1.** Ensuring that the payment made for subscription to the Bonds is from the bank account of the person/ entity subscribing to the Bonds and keep record of the bank accounts from where payments for subscriptions have been received and in case of subscription to the Bonds to be held by joint holders, monies are paid from the bank account of the person whose name appears first in the Application Form; in line with requirements listed out on circular dated 24/04/2018 issued by NSSCL. **2.** Maintaining a complete record of private placement offers in Form PAS-5. **3.** Filing a return of allotment of Bonds with complete list of all Bondholders in Form PAS-3 under Section 42(8) of the Companies Act, 2013, with the Registrar of Companies, National Capital Territory of Delhi and Haryana within 15 (fifteen) days of the Deemed Date of Allotment along with fee as provided in the Fees Rules; **4.** Credit of demat account(s) of the allotee(s) with number of Bonds allotted as per timeliness specified by NSSCL vide its circular dated 24/04/2018; **5.** Taking steps for listing of Bonds with BSE within 15 days from the Deemed Date of Allotment of Bonds; and **6.** Executing the Debenture/Bond Trust Deed, in favour of the Trustee within sixty days of Deemed Date of Allotment of the Bonds and submit with designated Stock Exchange within five working days of execution of the same for uploading. Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Private Placement Offer Letter.
Registrar & Transfer Agent	M/s Kfin Technologies Pvt. Ltd. (Former M/s Karvy Fintech Private Limited)

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Trustees	SBICAP Trustee Company Ltd.
Role & Responsibilities of Debenture Trustee	The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Private Placement Offer Letter and all other related transaction documents, with due care, diligence and loyalty. The Trustees shall protect the interest of the Bondholders in the event of default by HUDCO in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of HUDCO. No Bondholder shall be entitled to proceed directly against HUDCO unless the Trustees, having become so bound to proceed, fail to do so.
Additional covenants	1. In case of delay in execution of Trust deed and Charge documents, HUDCO will refund the subscription with agreed rate of interest or pay penal interest of 2% p.a. over the coupon rate till these conditions are complied with at the option of investor; 2. In case of default in payment of interest and/or principal redemption on the due dates, additional rate of interest of 2% p.a. over the coupon rate will be payable by HUDCO for the defaulting period; 3. Listing: The issuer shall complete all the formalities and seek listing permission within stipulated time. In case of delay in listing of the debt securities beyond 20 days from the Deemed Date of Allotment, the Company shall pay penal interest of atleast 1% over the coupon rate from the expiry of 30 days from the Deemed Date of Allotment till the date of listing of such debt securities; 4. The Company shall allot the bonds within sixty days from the date of receipt of application money for such bonds and if the company is not able to allot the securities within that period, it shall repay the application money to the subscribers within fifteen days from the date of completion of sixty days and if the company fails to repay the application money within the aforesaid period, it shall be liable to repay that money with interest in accordance with provisions of Companies Act from the expiry of the sixtieth day; and **5. In case the Bonds issued to the SEBI registered FIIs / sub-accounts of FIIs/ FPIs are not listed within 15 days of issuance to the SEBI registered FIIs/ sub-accounts of FIIs/ FPIs, for any reason, then the FII/ sub-account of FII/ FPIs shall immediately dispose of the Bonds either by way of sale to a third party or to the Issuer and in case of failure to list the Bonds issued to SEBI registered FIIs/ sub-accounts of FIIs/FPIs within 15 days of issuance, the Issuer shall immediately redeem/ buyback such Bonds from the FIIs/ sub-accounts of FIIs/ FPIs.**
Events of Default/Remedies	As mentioned in the Bond Trust Deed
Cross Default	N.A.
Governing law & jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing Indian laws. Any dispute arising thereof shall be subject to the jurisdiction of courts of New Delhi.

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* In view of National Housing Bank Notification No. NHB.HFC.NCD-DIR.1/CMD/2014 on issuance of non-convertible debentures on private placement basis dated March 19, 2014 (effective from April 1, 2014), as amended vide NHB Notification No. NHB.HFC.NDC-DIR/2/CMD/2015 dated March 13, 2015 Notification No. NHB.HFC.NDC-DIR.3/MD&CEO/2016 dated February 9, 2016, there shall be no limit on the number of investors/subscribers in respect of issuances with a minimum subscription of Rs. 1 crore and above. Moreover, the said directions shall not be applicable in case of 'Tax Exempt Bonds'.

**As per the SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013, if the redemption date falls on a holiday or Sunday, then such payment shall be made on the previous working date along with interest until but excluding the date of such payment.

*** As per SEBI Circular no. IR/IMD/DF-1/122/2016 dated November 11, 2016, if the interest payment date falls on a holiday, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. Further, in case of a leap year, if February 29 falls during the tenor of the security, then the number of days shall be reckoned as 366 days (Actual/Actual day count convention) for a whole one-year period, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly etc.

BIDDING AND SETTLEMENT PARAMETERS	
EBP Platform	NSE
Issue Time Table (Tentative) Issue opening date Issue closing date (Bidding on NSE EBP Platform) Pay - in - dates Deemed Date of Allotment	 May 27, 2020 May 27, 2020 On **T+2** day (i.e. May 29, 2020) where, T being the day of bidding / issue day May 29, 2020
Manner of bidding (Type of bid book)	Close bidding
Allotment/ Allocation Method	Uniform Yield
Settlement Mode	NSE Clearing Ltd.
HUDCO reserves the righty to change schedule of the issue including early closure/ partial closure/cancellation without prior consent of investors/arrangers. HUDCO also reserves the right to alter the lot size/ or reject applications, if any, of the above terms and conditions are not fulfilled. HUDCO will not pay any interest on the amount so refunded.	